TENDER REQUIREMENTS FOR THE BID

1. What must be included in the bid and how to submit it

1.1 Bids and all related correspondence and documents must be in English.
1.2. Bidders must submit in two sealed envelopes. Mark the envelopes clearly.
1.3 Envelope 1 must include 7,8 and 10 below
1.4 Envelope 2 must include Monthly PPP offer, which will include minimum monthly rental amount, and a percentage of annual gross turnover that will be calculated on the company’s audited financial statements.
1.5 The interested bidder must give details and provide supporting documents of the following:
   1.5.1 Extensive experience of three years in the tourism and hospitality sector coupled with registration with the relevant accreditation bodies specifically in the tourism industry. Must demonstrate knowledge of the health and safety laws and regulations as well as have the relevant Licenses,
   1.5.2 Mandatory returnable documents
      1.5.2.1. Submit all Documents in hard copy
      1.5.2.2. Submit an original valid tax clearance certificate
      1.5.2.3 BBBEE verification certificate
      1.5.2.4 Company registration
      1.5.2.5 Proof of financial standing by banking institution or auditor
      1.5.2.6 Provide a Cash Flow Statement of business operations for ten years.
1.6 Submitting a bid implies that the bidder knows and understands all the terms and conditions set out in this tender and under the applicable laws of the Republic of South Africa, and that the bidder accepts these terms and conditions.

2. How the bids will be opened

2.1. The bids will be collected by SANParks’ bid secretariat.
2.2. All envelopes will be locked away in the safekeeping of the Regional Financial Officer until they are needed.

3. Incomplete bids

3.1. The Bid Evaluation Committee (BEC) will check the envelope of each bid to see whether all the documentation that this tender requires has been submitted correctly.
3.2. If a bid is not complete or something in it is not clear, the BEC may, but is not obliged to, ask bidders for more information. Bidders will receive such requests for more information in writing. No substantial changes to the bid will be asked for or allowed, except if there is a clear mistake in the bid.
3.3. A bid that is not complete or requires clarification may be disqualified without a request for further information. This is the SANParks’ decision.

4. How the bids will be evaluated and the preferred bidder chosen

4.1. The three main elements of the bid
   4.1.1 Bids will be evaluated on three main elements: functionality, BEE and the monthly rental offer.
   4.1.2. Envelope 1 is for the functionality and BEE elements and is opened first. Bidders must score at least 65% for functionality and at least 65% for BEE. Envelope 2 is for the monthly rental fee offer and will
4.2. The weighting of the elements

4.2.1. Functionality will be weighted at 60% of the overall bid score,
4.2.2. BEE will be weighted at 10% of the overall bid score,
4.2.3. The RENTAL fee offer will be weighted at 30% of the overall bid score.
4.2.4. The provisions of the Preferential Procurement Policy Framework Act, 2000 (PPPFA) apply.

4.3. How functionality is evaluated

4.3.1 SANParks will evaluate functionality in terms of the elements set out in the functionality scorecard below.
4.3.2. Details of the format and information required for each element are contained in Annexure 1-5 below which is part of the bid specifications.

4.3.3. Functionality scorecard

<table>
<thead>
<tr>
<th>Functionality evaluation criteria</th>
<th>Scoring</th>
<th>Maximum subtotal</th>
<th>Maximum total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Financing plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Has the bidder secured adequate finance to implement the project?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>1.2 Are all the members of the bidder solvent and liquid?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>1.3 Is the basic cash flow model viable?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>2. Business and operational plan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 Is, or will, the bidder be constituted as an entity as required in the TENDER?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>2.2 Is the Ratelrivier proposal within the range of the PPP requirements specified in the TENDER?</td>
<td>Excellent = 10 Acceptable = 5 Poor = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>2.3 What is the bidder’s experience and track record in similar ventures, and in similar target markets?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>2.4 Does the thinking behind the business plan demonstrate the bidder’s commercial knowledge of the target market for this product?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>2.5 Do the bidder’s marketing and product branding plans comply with the TENDER specifications?</td>
<td>Fully = 10 Partially = 5 Not at all = 0</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

50
### Functionality evaluation criteria

<table>
<thead>
<tr>
<th>Functionality evaluation criteria</th>
<th>Scoring</th>
<th>Maximum subtotal</th>
<th>Maximum total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and environment proposal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Has the bidder understood the tender in terms of adhering to our SANParks regulations in operating their business</td>
<td>Fully = 5 Partially = 3 Not at all = 0</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3.2 Has the bidder operated in an environmentally sensitive area before?</td>
<td>Yes = 5 Partially = 3 No = 0</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total functionality points</strong></td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td><strong>Minimum threshold</strong></td>
<td></td>
<td>65</td>
<td></td>
</tr>
</tbody>
</table>

4.3.4. The functionality of a bid is scored out of 100 points. A bidder must score 65% or more for functionality or the bid will be disqualified.

### How BEE is evaluated

4.4.1 SANParks will evaluate the bidder’s BEE proposal (details of the format and information required are in ‘Annexure 5: BEE proposal’) and will allocate scores according to the methodology and weightings in the BEE scorecard in ‘Annexure 5: BEE proposal’.

4.4.2 BEE is scored out of 100 points. A bidder must score 65% or more for BEE or the bid may be disqualified. This is SANParks’ decision.

### How the RENTAL fee offer is evaluated

4.5.1 If a bidder meets the minimum thresholds for both functionality and BEE, SANParks will evaluate the bidder’s monthly rental offer and the percentage of annual gross turnover, whichever is the highest within a given year.

4.5.2 The points for the RENTAL fee offer are calculated using the prescribed price formula in the regulations to the PPPFA. The maximum points will be awarded to the qualified bidder which makes the highest RENTAL fee offer and the remaining points being allocated pro rata to the remaining qualified bidders.

4.5.3 The monthly rental proposal is scored out of 100 points.

### The overall score
SANParks will calculate the overall score of each qualified bid, using the following formula.

\[ a \times (\text{functionality score/100}) + b \times (\text{BEE score/100}) + c \times (\text{RENTAL fee score/100}) = d \]

- a is the weighting (60%) for functionality
- b is the weighting (10%) for BEE
- c is the weighting (30%) for rental fee
- d is the bidder’s overall score
4.7 The preferred bidder
The bidder that receives the highest overall score will be appointed the preferred bidder. The bidder that receives the second highest overall score will be appointed the reserve bidder.

5. Finalizing the PPP agreement
5.1. SANParks will draw up a PPP agreement with the preferred bidder.
5.2. If SANParks and the preferred bidder fail to come to agreement on the PPP agreement within two weeks, SANParks may withdraw the appointment as preferred bidder and begin negotiations with the reserve bidder.

6. Bid timetable

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advert of Tender</td>
<td>7 July 2016</td>
</tr>
<tr>
<td>Site Visit</td>
<td>15 July 2016</td>
</tr>
<tr>
<td>Closing date</td>
<td>29 July 2016</td>
</tr>
<tr>
<td>Bid Evaluation</td>
<td>2 August 2016</td>
</tr>
<tr>
<td>Announcement of Preferred and reserve bidder</td>
<td>1 September 2016</td>
</tr>
<tr>
<td>Negotiations of PPP agreement</td>
<td>5 September 2016</td>
</tr>
<tr>
<td>Signature of PPP Agreement</td>
<td>1 February 2017</td>
</tr>
</tbody>
</table>

7. ANNEXURE 1: FINANCIAL, BUSINESS AND OPERATIONAL PLANS
7.1 The interested bidder must give details and provide supporting documents of the following:

7.1.1 Extensive experience of three years in the tourism and hospitality sector coupled with registration with the relevant accreditation bodies specifically in the tourism industry. Must demonstrate knowledge of the health and safety laws and regulations as well as have the relevant Licenses,

7.1.2 Mandatory returnable documents

7.1.2.1. Submit all Documents in hard copy
7.1.2.2. Submit an original valid tax clearance certificate
7.1.2.3. BBBEE verification certificate
7.1.2.4. Company registration
7.1.2.5. Proof of financial standing by banking institution or auditor
7.1.2.6. Provide a Cash Flow Statement of business operations for ten years. See below table for reference to a format.
<table>
<thead>
<tr>
<th></th>
<th>Startup</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R'000</td>
<td>R'000</td>
<td>R'000</td>
<td>R'000</td>
<td>R'000</td>
<td>R'000</td>
</tr>
</tbody>
</table>

### Cash inflows

- Owners’ capital
- Loans received
- Grants received
- Cash from sales and other operating revenue
- Cash from other sources

\[\text{Total cash inflow (A)}\]

### Cash outflows

- Project costs and startup expenses
- Salaries, wages and staff costs
- All other operating costs and expenses
- Loan repayments
- Replacement of equipment and vehicles

\[\text{Total cash outflow (B)}\]

### Net cash flow

\[\text{[A - B] before PPP fees and tax}\]

* adapt to the proposed term of the PPP

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**8. ANNEXURE 2 DEVELOPMENT AND ENVIRONMENTAL**

8.1 The Bidder must outline the known or expected impact that the business operation will or can have on its environment, and the steps that will be taken to minimize and mitigate such impact.

8.2 The successful bidder will have to draft an Operational Environmental Management Plan for SANParks’ approval.

8.3 Acknowledge that the operator must comply at all times with SANParks environmental guidelines, code of conduct and regulations which may change from time to time as well as any other applicable legislation
(environmental, heritage, etc.). These will be supplied by SANParks within time.

8.4 Demonstrate operating in an environmentally sensitive area before.

9. ANNEXURE 3: RISK MATRIX

<table>
<thead>
<tr>
<th>Type of risk</th>
<th>General description of risk</th>
<th>Project-specific risk</th>
<th>Mitigation measures</th>
<th>Allocation of risk (institution/private party/shared)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing</td>
<td>The required capital for opex may not be able to be raised; loans may not be able to be repaid; tax obligations may not have been fully taken into account or may change; fluctuating inflation, interest rates, and currencies may affect assumptions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting infrastructure</td>
<td>Supporting infrastructure may be inadequate to sustain the enterprise</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>Utilities may not be fully available or may cause delays</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment and heritage</td>
<td>Liability for losses caused by environmental or marine damage or delays</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td>The costs of maintenance to required standards may vary from projections or maintenance may not be carried out</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Any factors (other than force majeure) that may impact on operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market, demand, volume</td>
<td>The demand for the product may be less than projected</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political</td>
<td>Unforeseeable conduct by any government institution may adversely affect the project, or the government may expropriate private party assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Force majeure</td>
<td>Unexpected events beyond either party's control</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10. ANNEXURE 4: BEE PROPOSAL

10.1 Bidders should provide the following information, with back-up evidence wherever possible. Provide SANParks with its BBBEEE Credentials as per the Tourism Charter of Department of Trade and Industry.

11. ANNEXURE 5: PPP OFFER PROPOSAL
11.1 Bidders must provide SANParks with its monthly PPP offer as per minimum for twenty years and bearing in mind escalation cost on anniversary date as well as the percentage of annual gross turnover as per the company’s audited financial statements.

12. ANNEXURE 6: DRAFT PPP MANAGEMENT AGREEMENT
The draft management agreement is not attached hereto but will be made available to bidders.
## ENVELOPE 1: FUNCTIONALITY AND BEE BIDS

Name of bidder:
Postal address:
Street address:
Telephone:
Cell phone:
Fax:
Contact person:
Email address:
Signature of bidder:
Date:
Capacity in which bid is signed:

*Signature of this document means that the bidder accepts the terms and conditions of this bid. Failure by the bidder to sign this form may disqualify the bid.*
## Tourism PPP Opportunity for Private Operator – Ratelrivier Estate, Agulhas National Park

### ENVELOPE 2: RENTAL FEE OFFER

Name of bidder: 
Postal address: 
Street address: 
Telephone: 
Cell phone: 
Fax: 
Contact person: 
Email address: 
Signature of bidder: 
Date: 
Capacity in which it is signed: 

*Signature of this document means that the bidder accepts the terms and conditions of this bid. Failure by the bidder to sign this form may disqualify the bid.*